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Zoning Changes Approved to Address Vacant Storefronts in Upper Market

San Francisco Board of Supervisors passes law authored by Supervisor Rafael Mandelman to help restaurants, arts and nonprofits fill empty retail spaces along Market Street

SAN FRANCISCO — On Tuesday the San Francisco Board of Supervisors unanimously passed an ordinance changing zoning along Market Street between Castro Street and Van Ness Avenue to make restaurants, arts activities, and some nonprofit types principally permitted on ground floors. The legislation, authored by District 8 Supervisor Rafael Mandelman, responded to concerns from residents and businesses about the growing number of storefront vacancies and a report from the city's Budget and Legislative Analyst that showed the trend worsening.

"In a neighborhood struggling with vacancies, the city ought to be doing everything we can to attract businesses and help them to open as quickly as possible, and that is what we are hoping to achieve with this legislation," said Mandelman who represents the Castro on the Board of Supervisors. "This legislation envisions an Upper Market where new and delicious restaurants can serve local residents and draw visitors from around the city and the world; where nonprofits that have been priced out of their downtown office space can find a home and where local artists will fill galleries with their photography, paintings and ceramics."

In March, <u>a report by the Board of Supervisors' Budget and Legislative Analyst</u> found that between 2015 and 2017 vacancies in Upper Market increased from 8.5 to 12.9 percent, most of which were found on Market Street between Dolores and Castro. The report suggested that among the reasons for Upper Market's vacancies are the more restrictive Conditional Use requirements in effect there and not in other commercial corridors including nearby Valencia Street and Hayes Valley. According to the report, in Upper Market it took an average of 332 days from submission for an applicant to secure a Conditional Use authorization. When combined with other permitting requirements, the entire process could take years.

"It shouldn't take years to open a small business in San Francisco and I've heard from many current or aspiring small business owners whose aspirations of opening or expanding in Upper Market were deeply complicated by a nearly impossible set of regulatory hurdles," Mandelman said. "The legislation won't be a silver bullet for all of Upper Market's vacancy concerns but it's a meaningful attempt to help small businesses succeed in a neighborhood where we desperately need them to succeed."